

County of Los Angeles CHIEF EXECUTIVE OFFICE

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REVISED

February 6, 2014

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From:

To:

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MOTION ON EFFORTS TO REDUCE WATER USAGE AND ADVOCACY ON LEGISLATION TO INCREASE THE RELIABILITY OF STATE AND LOCAL WATER SUPPLIES (ITEM NO. 9, RECOMMENDATION NO. 5, AGENDA OF FEBRUARY 11, 2014)

Item No. 9 on the February 11, 2014 Agenda includes a recommendation (No. 5) by Supervisor Knabe to instruct the County's legislative advocates in Sacramento and Washington, D.C., in coordination with the Department of Public Works, to take appropriate actions to ensure passage of legislation which allocates additional funding and direction necessary to streamline regulatory agency permit processes, in order to increase the reliability of State and local water supplies.

Background

On January 17, 2014, Governor Brown declared a drought State of Emergency and directed State and local officials to take all necessary actions to prepare for the drought conditions. The declaration included directives to assist farmers and communities that are economically impacted by dry conditions and to ensure the State can respond if Californians face drinking water shortages, and gave State water officials more flexibility to manage water supply throughout California. The Governor also called on all Californians to voluntarily reduce their water consumption by 20 percent.

According to the Governor's Office, State water officials say that California's river and reservoirs are below record lows, with manual and electronic readings recording the snowpack's statewide water content at about 20 percent of normal average for this time of year.

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The Governor met with water managers from across Southern California on January 30, 2014 to discuss the State's drought conditions. Before the meeting, which was private, the Governor said that while conservation efforts are at this time voluntary, he would not rule out mandatory conservation measures. The General Manager of the Metropolitan Water District also announced that it would propose water management actions in the coming weeks to double its conservation budget and explore all means to help address the region's water supply challenges.

In direct response to the Governor's drought declaration, the California Department of Water Resources (DWR) announced on January 31, 2014, that it would act to conserve the State's water resources by dropping deliveries to customers of the State Water Project to zero if current dry conditions persist. Additionally, deliveries to agricultural districts with long-standing water rights in the Sacramento Valley may be cut 50 percent (the maximum permitted by contract) depending upon future snow survey results. In making the announcement, the DWR noted that all areas served by the State Water Project have other sources of water, including groundwater, local reservoirs, and other supplies.

Federal Legislation

On February 5, 2014, the House passed, 229 to 191, H.R. 3964 (Valadao, R-CA), the Sacramento - San Joaquin Valley Emergency Water Delivery Act, which would address the State's water crisis by diverting more Federal water resources to provide more water for agricultural and municipal use in the San Joaquin Valley, including by, in effect, reducing the amount of water needed to preserve certain fish species. The bill passed mainly along party lines. All of California's House Republicans voted to pass the bill while Representative Costa was the only Democrat who voted "aye."

The Obama Administration voiced its strong opposition to H.R. 3964 and threatened to veto it. Senators Boxer and Feinstein released a press statement indicating that they intend to introduce different legislation to "offer relief for California and other drought-stricken states and to streamline Federal projects and operations" as an alternative to the House bill, which they oppose. It is far from clear that a bipartisan compromise will be able to be reached on legislation addressing California's water needs.

State Legislation

In January, information began circulating that Senate President Pro Tem Steinberg is drafting urgency legislation to respond to the drought. According to news reports, the bill would direct funding for stormwater reuse projects, incentivizing water conservation, and increasing the use of recycled water, and would also direct State agencies to

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expedite approval of water recycling and stormwater reuse projects by July 1, 2014. It was also reported that funding for the proposal would come from unspent Proposition 84 of 2006 bond funds, Proposition 1E of 2006 bond funds, cap-and-trade revenue, and the State's General Fund.

As of the drafting of this report, the Steinberg bill has not been introduced and this office is unable to confirm the details of the proposal. Senator Steinberg's office has indicated that it is working with the Governor's Office and Assembly leaders on drafting the legislation.

Board Policy

In 2007, the Board adopted several water supply principles, which were developed in collaboration with the Department of Public Works, to increase the reliability of State and local water supplies with appropriate infrastructure and equitable funding levels. These policies include:

- Local Water Reliability and Conservation: Preserve existing supplies and promote local supply reliability and conservation through various approaches including demand reduction, recycling, and groundwater recharge.
- Protection and Improvement of Water Quality: Protect and improve water quality including drinking water, groundwater, stormwater, and urban runoff.
- New Water Supplies: Create new water supplies using a variety of approaches including preservation of water by recycling, enhanced storage capacity through seismic retrofit and modification of existing structures and increased utilization of spreading grounds and debris basins.
- Conveyance and Local Storage: Provide for a reliable statewide stormwater capture, storage, and conveyance system to deliver water supplies to Southern California. Allocate funding for large storage and conveyance systems based on sound planning, engineering, and economic analysis.
- Bond Funding and Appropriations: Authorize a significant level of water supply bond funding and appropriations consistent with the above principles.
- Equitable Allocation Criteria for Regional Projects: Allocate competitive grant funds primarily on the basis of population to State-recognized Integrated Regional Water Management regions.

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• **Delta Sustainability:** Support short-term and long-term actions that create a sustainable Delta ecosystem that will create a healthy, durable estuary and reliable water supply.

Additionally, the County has various water supply policies in both the State and Federal Legislative Agendas that are generally supportive of improving the reliability of water imported into Los Angeles County, encouraging water conservation, increasing the efficiency of water use, and increasing the use of recycled water.

Conclusion

Our office supports Recommendation No. 5 to instruct the County's legislative advocates in Sacramento and Washington, D.C., in coordination with the Department of Public Works, to take appropriate actions to ensure passage of legislation which allocates additional funding and direction necessary to streamline regulatory agency permit processes, in order to increase the reliability of State and local water supplies. With Board approval, this office will pursue positions on drought-related legislative proposal in accordance with the directives above or will bring recommendations on individual bills to the Board for consideration.

This office will continue to closely monitor State and Federal action and legislative proposals regarding responses to the drought, and will report back with an analysis and recommendations of any bills which are introduced in the coming weeks.

We will continue to keep you advised.

WTF: RA MR:AO:ma

c: Executive Office, Board of Supervisors County Counsel Department of Public Works